January 16, 2013

DATE 1-21-13
HB JAN 1 7 2013

Representative Mike Cuffe, Chair
Joint Appropriations Subcommittee on Natural Resources and Transportation
Montana House of Representatives
P.O. Box 200400
Helena, Montana 59620-0400

RE: HB2 - Base Funding for the DEQ Subdivision Section

Dear Representative Cuffe,

I am writing this letter to oppose providing base funding for the Montana DEQ Subdivision Section. The motivation for any agency, such as the DEQ and DWFP, for not taking general funding is so that they can create programs and change rules without any legislative scrutiny; and the DEQ was one of the kings of doing whatever they wanted during these boom years. Many programs were specifically designed to slow down development; changes to the mixing zone rules are a prime example. Now they wish to keep all those programs, rules, and regulations intact as though they were still dealing with an onslaught of work with the thought that when growth returns they will be better prepared. My main issues with this concept are:

- 1. No one, and in particular DEQ, can predict growth any time soon. So if DEQ says they want to "...assure base program needs can be accomplished even during period of reduced subdivision activity..." the "base" programs need to be clearly identified and DEQ must clearly show that they have eliminated all unnecessary programs. All long term "base" programs need to be justified and approved by the legislature and we need assurances that they have cut all the programs they can and not just shuffle the funds to something other than "base programs".
- 2. Sanitarians in County offices are stating that the funding is necessary to "...have a stronger base staff (which) means that when economic conditions improve and we have more land activity, there will be trained staff to process applications and generally support our requests for services." The economy in Northwest Montana is not going to be improving any time soon. I would challenge anyone to suggest there is any subdivision growth in Libby, Eureka, Kalispell and I assume in most of in Northwest Montana so the question is what is this base staff going to be doing in the meantime, training? Work on what, fake subdivision applications? How long is it that we will need to train and support this "base" staff?
- 3. If the economy ever does recover will they cease to request a base budget and go back on fee funding?

State agencies never want to reduce their budgets, ever. The severe reduction in their workload is because of the severe reduction in the number of subdivision applications and in my opinion that is partly their fault. The subdivision rules and regulations as they relate to sanitation are astronomically expensive for any developer so DEQ rules and programs are partially, if not fully, responsible for the severe slow down if not entirely stopping growth in this part of the State.

Mike, I say almost every day that the attitude of State, and for that matter County and City, employees is "What the hell do you want because the answer is already no!" When that attitude changes to "What can I do to help you Mr. Cuffe?" then I will know that State offices have reduced their budgets to the point that they are begging for business and actually wanting to help. At that point I will know that they deserve a "Base budget" but not until.

Respectfully

Kurt Hafferman, P.E.

Owner, Billmayer & Hafferman Inc.

.FAXED to: Mike Cuffe, MT House of Representatives, 406-444-4825.

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